

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6333

BILL NUMBER: SB 318

NOTE PREPARED: Nov 27, 2007

BILL AMENDED:

SUBJECT: Use of Library Capital Project Fund.

FIRST AUTHOR: Sen. Sipes

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: The bill provides that a library district's capital project fund may be used to: (1) pay the salary of a computer system employee; (2) purchase equipment, supplies, or services necessary to apply security devices to library material or property; and (3) purchase equipment, supplies, or services necessary to photograph or digitize library material.

Effective Date: July 1, 2008.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: *Summary-* If libraries were allowed to have larger capital project fund levies to cover the additional expenditures allowed under the bill, persons living in those library districts could see their tax rates increase in order to cover the increased levies. The impact of this bill on local expenditures would vary and depend on local library board action.

Current Fund Uses- Under current law, a library may use their capital project fund for the following:

- (1) Planned construction, repair, replacement, or remodeling.
- (2) Library site acquisition.
- (3) Site development.
- (4) Emergency repairs, replacement, or site acquisition.
- (5) Purchase, lease, or repair of equipment including computer hardware/software.

Background Information- In 2006, there were 88 public libraries with capital project fund certified levies totaling \$8.1 M in property taxes. Capital project fund levies ranged from \$378 (Roanoke) to \$1 M (Indianapolis-Marion County).

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Public Libraries with capital project funds.

Information Sources: LOGODABA.

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